

PRSP Implementation Forum Session III Enhancing Competitiveness for promoting trade, investment and private sector development

Longer Term PRSP Target/Link	Targets to be achieved by October 2006	Place a Check Next to Points to be Developed	Lead LCG Development Partner (Name & email address)
<p>1. Improve legal and regulatory environment to reduce corruption and costs of doing business in order to increase investment (both foreign & domestic) & employment</p>	<ul style="list-style-type: none"> a) Private Sector Development Vision & policy statement finalised & gazetted b) Implementation of private-public sector dialogue mechanisms for PRSP based on Private Sector Development Task Force c) Regulatory reform unit designed and action plan agreed d) 2 Regulatory Impact Assessment pilots completed. First series of regulatory streamlining initiated in line with Administrative Barriers Review, 2nd series agreed. Process established to audit existing stock of regulations agreed. e) Automation of Registrar of Joint Stock Companies implemented f) Capacity Building of BOI with MIGA underway, & institutional development plans for BEPZA, BSCIC and EPB agreed g) Continue financial sector restructuring by corporatizing Agrani and Janata Bank prior to their GoB divestment. 	<p>v</p>	<p>DFID & World Bank</p>
<p>2. Address infrastructure bottlenecks & develop zones to improve</p>	<ul style="list-style-type: none"> a) Develop and finalise with development partners: <ul style="list-style-type: none"> i) Power System Master Plan and the Gas Master Plan, ii) Road Map for Power Sector Reforms 2006-8, & iii) Mid-Term Power Strategy 	<p>v</p>	<p>Japan</p>

<p>competitiveness</p>	<p>covering institutional development, investment and financial commitment</p> <ul style="list-style-type: none"> b) Approve organogram for the Bangladesh Energy Regulatory Commission (BERC) enabling the institution to acquire the required capacity (staff, consultants) to make it fully operational c) Prepare and adopt an agreed Generation Support Framework & Financing strategy d) Establishment of Road Maintenance Fund & further progress of upgrading Dhaka-Chittagong highway e) Approval and initial implementation of Bangladesh Railway's organizational restructuring & finalization of investment plan for railway infrastructure f) Initial implementation of ADB funded Gas Transmission Network Project (US \$230m) g) Reforms in energy sector: reduction of system losses, introduction of e-governance, institutional development h) Start private operations of a new mooring container facility terminal in Chittagong i) Economic zone strategy agreed and finalised with new economic zones selected for development 		
<p>3. Improve Social, safety and environmental standards enforcement</p>	<ul style="list-style-type: none"> a) Increased enforcement (measured by compliance inspections) of environmental & safety legislation particularly in the garment & textiles sectors to improve RMG competitiveness b) Enforce implementation of workplace safety & labour standards, especially in respect to child labour c) Implement measures to nurture sound industrial 	<p>V</p>	<p>EC & Canada</p>

	relations, especially in EPZs		
4. Improved trade policy to ensure pro-poor growth & RMG exports	<ul style="list-style-type: none"> a) Reduce average nominal rates of protection by 2% (mainly by scaling down para-tariffs, such as supplementary duties) before June 2006 b) Consensus reached on: (i) allowing yarn imports through land ports, (ii) reducing protective tariffs on textiles & garments, (iii) rules of origin & endorsing regional cumulation (& requesting EU relaxation of value addition requirements for Bangladeshi exports), & (iv) allowing central bonded warehouses c) Improve trade policy capacity within Ministry of Commerce & BFTI & create trade strategy (especially in relation to Agriculture) 	(Reserve Point if time allows)	World Bank
5. Achieve balanced growth through SME development	<ul style="list-style-type: none"> a) Revise SME Policy through further stakeholder consultation b) Agree joint implementation plan with development partners, especially with respect to rural areas 		